

ASSIGNMENT OF LEASE

This Agreement is made and entered into this 5th day of May, 1977 by and between GEORGE WARNOCK and DOROTHY WARNOCK (herein called "Assignor") and TODILTO EXPLORATION AND DEVELOPMENT CORPORATION, a New Mexico corporation (herein called "Assignee").

WHEREAS, on April 15, 1975, Assignor entered into a Uranium Mining Lease with Santa Fe Pacific Railroad Company (herein called "Mining Lease"), said Mining Lease covering the tract of real property in McKinley County, New Mexico, to-wit:

Township 13 North, Range 10 West

<u>Description</u>	<u>Section</u>	<u>Acres</u>
N/2 NW/4	19	81.43

and

WHEREAS, Assignor desires to assign to Assignee undivided interest in the Mining Lease and any extensions or renewals thereof, and Assignee desires to accept such assignment.

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, Assignor does hereby bargain, sell, transfer, assign and convey unto Assignee, its successors and assigns, an undivided one hundred percent (100%) interest in and to all of Assignor's right, title and interest in and to the Mining Lease and all renewals and extensions thereof.

By acceptance of this agreement, Assignee agrees to be bound by all of the covenants, terms and provisions of the Mining Lease and any renewals or extensions thereof.

Assignee agrees to assume and be responsible for the performance of all of the obligations of Assignor as to the interest herein assigned.

EXECUTED this 5th day of May, 1977

FORM APPROVED

DATE: April 27, 1977

By James E. Sperling
James E. Sperling

by John R. Crony

George Warnock
George Warnock

Dorothy Warnock
Dorothy Warnock

FORM APPROVED

- 1 -

Robert Bateson
General Attorney

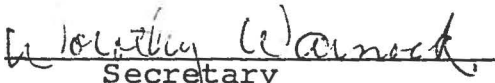
ACCEPTED AND AGREED TO this 5th day of May,
1977.

TODILTO EXPLORATION AND DEVELOPMENT
CORPORATION

By

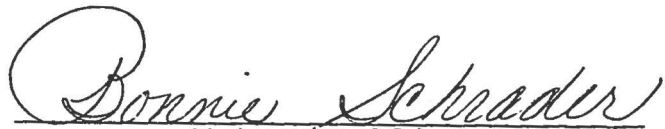

President

ATTEST:


Secretary

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me
this 5th day of May, 1977, by GEORGE WARNOCK
and DOROTHY WARNOCK, his wife.


Notary Public

My Commission Expires:

January 27, 1981

CONSENT OF LESSOR

SANTA FE PACIFIC RAILROAD COMPANY, a Federal corporation, Lessor, named in the lease hereinabove described, hereby consents to the foregoing Assignment of Uranium Mining Lease and Agreement, without releasing Assignor from any obligations previously accrued and without otherwise modifying the lease or any of the covenants therein on condition that no further assignment be made without the written consent of Lessor.

SANTA FE PACIFIC RAILROAD COMPANY

By D. J. Walsh
Vice President

ATTEST:

M. J. [Signature]
Assistant Secretary

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 2nd day of May, 1977, by D. J. Walsh, Vice President of the SANTA FE PACIFIC RAILROAD COMPANY, a corporation organized and existing under and by virtue of an Act of Congress approved March 3, 1897, on behalf of said corporation.

Carolyn Jane Burchum
Notary Public

My commission expires:

December 3, 1978